

Message Text

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PAGE 01 MOSCOW 18604 281716Z
ACTION EUR-12

INFO OCT-01 ISO-00 EB-08 /021 W
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UNCLAS MOSCOW 18604

USDOC FOR BEWT/TDAD (STECHSCHULTE)

E.O. 11652:N/A
TAGS: BEXP, EIND, BEWT, UR
SUBJECT: INDUSTRA PRODUCTS, INC. --POSSIBLE \$6 MILLION SALE
OF COIL WINDING MACHINERY TO USSR

INDUSTRA PRODUCTS INC. (BAER FIELD, FORT WAYNE,
INDIANA 46809, TELEPHONE: (219) 747-6102), IS
A RELATIVELY SMALL U.S. COMPANY WHICH PRODUCES
MANUALLY-OPERATED AND SEMI-AUTOMATIC STATOR WINDING
MACHINES. COMPANY SALES LAST YEAR WERE IN \$10 MILLION
RANGE, ABOUT HALF OF WHICH WERE EXPORTS. INDUSTRA
EMPLOYS ABOUT 150 PEOPLE IN ITS U.S. FACILITY IN
INDIANA, AND ALSO HAS PLANT IN ENGLAND EMPLOYING 50
PERSONS. COMPANY PRESIDENT DONALD E. HILL TOLD
COMOFF THAT HE HAD JUST SIGNED \$200,000 CONTRACT
TO EXPAND LINE OF INDUSTRA MACHINES (EARLIER SALE
HAD BEEN FOR \$1.2 MILLION) AT SOVIET REFRIGERATOR
PLANT IN KRASNOYARSK. MORE IMPORTANTLY, HILL IS
NEGOTIATING POSSIBLE \$6MILLION CONTRACT FOR FOUR
LINES OF MACHINES TO PRODUCE 10-50 HP MOTORS FOR
PLANTS IN VLADIMIR AND NOVAYA KAKHOVKA. PRINCIPLE
COMPETITOR, TOSHIBA ELECTRIC OF JAPAN, IN POSITION
TO OFFER CREDITS WHERE HE IS NOT. HILL SAID HE
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WOULD IF POSSIBLE FILL \$6 MILLION CONTRACT (IF WON)
THROUGH ENGLISH FACILITY IN ORDER TO OBTAIN BRITISH
CREDITS, BUT THAT ENGLISH PLANT CANNOT AT THIS TIME
PRODUCE TYPE OF MACHINERY SOVIETS NOW WANT, I.E.,
LARGE CAPACITY, HIGHLY AUTOMATED UNITS.

2. COMMENT - INDUSTRA IS GOOD EXAMPLE OF SMALL

U.S. FIR WHICH IS BECOMING EXPORT DEPENDENT. IT
ALSO TYPIFIES KIND OF FINANCING DIFFICULTIES SMALL-
AND MEDIUM-SIZED COMPANIES ARE EXPERIENCING WHEN
COMPETING WITH EUROPEAN AND JAPANESE FIRMS FOR
MULTI-MILLION DOLLAR CONTRACTS IN USSR. THE MARKET
STRATEGY SUCH SMALLER FIRMS MUST USE INVOLVES
WINNING A SMALL CASH CONTRACT FIRST, WITH HOPES
OF LARGER SALES LATER, PERFORCE WITHOUT COMPETITIVE
FINANCING, BASED ON PROVEN PERFORMANCE OF GOODS.
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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: SALES, MINING EQUIPMENT
Control Number: n/a
Copy: SINGLE
Sent Date: 28-Dec-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01-Jan-1960 12:00:00 am
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Subject: INDUSTRA PRODUCTS, INC. --POSSIBLE \$6 MILLION SALE OF COIL WINDING MACHINERY TO USSR INDUSTRA PRODUCTS INC.
(BAER FIELD, FORT WAYNE
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